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THE PATH FORWARD: FIXING FEDERAL CANNABIS POLICY

National support for federal cannabis legalization is at an all-time high, and trends show that support will continue to grow. Following the 2018 election, all but three states have legalized some form of cannabis within their borders, with 97% of Americans living within those 47 states and nearly 25% of Americans living in states with full cannabis legalization laws. The disparity between federal and state laws will continue to grow as more and more ballot initiatives pass in future elections. Congress must address this disparity, and polling clearly shows that voters want Congress to federally decriminalize cannabis.

Congress is out of step with the American people and the states on cannabis. The 2018 election gave Democrats control of the House of Representatives. If everybody does their part, this Congress will finally reform cannabis legislation with some form of descheduling.

The path forward has never been clearer: the federal government must end the failed prohibition on cannabis and allow states to continue to take the lead in the regulation of cannabis. As we work towards that ultimate goal, Congress must address the current discrepancies between state and federal laws.

There are issues that can be addressed this year, including access to banking, research, and veterans' access for medical cannabis. The ability to move on these popular and badly needed reforms will give an indication about how fast and how far we can make progress. We still believe that by starting in this framework, full legalization and other needed reforms are entirely possible. This is no longer controversial.

STEPS TOWARD SUCCESS

Committee consideration of cannabis legislation is an important step that will make a big difference for the American public. It's impossible to overstate the impact that these reforms could have on criminal justice reform, health care, opioid addiction and protection of our children. Almost every standing House committee has jurisdiction over some aspect of cannabis policy, including:

- House Judiciary Committee on the scheduling of cannabis and related criminal justice concerns;
- House Veterans Affairs Committee on safe and equal access to medical cannabis for our veterans and intramural cannabis research at the Department of Veterans Affairs (VA);
- House Energy and Commerce on the scheduling of cannabis and removing barriers to cannabis research;
- House Financial Services Committee on barriers to the safe access of banking services and capital:
- House Ways and Means Committee on the unequal taxation of cannabis businesses:
- **House Small Business Committee** on access to Small Business Administration resources for cannabis businesses:
- House Natural Resources Committee on cannabis and tribal sovereignty;
- House Oversight and Government Reform Committee on access to federal government jobs for veterans who use cannabis in compliance with their state laws; and
- House Education and Labor Committee on access to higher education loans for students who have been convicted for cannabis possession.

In addition to continuing the work needed to once and for all legalize cannabis at the federal level, committees should consider legislation that would responsibly narrow the cannabis policy gap—the gap between federal and state cannabis laws—before the end of the 116th Congress. These policy issues should include:

- Restorative justice measures that address the racial injustices that resulted from the unequal application of federal cannabis laws;
- Equal access to pain and PTSD cannabis treatments for our veterans through the Department of Veterans Affairs (VA) and tribal members through the Indian Health Services (IHS);
- Protection for state cannabis programs;
- Removal of barriers to cannabis research;
- · Protect private property from civil asset forfeiture;
- Protections of employment of opportunities;
- · Access to financial services; and
- Equal taxation for cannabis businesses.

Our ability to turn these bills into law depends on the Senate. While the Senate has been slower on cannabis policy reform than the House and the American people, it beginning to catch up. We must build on this momentum.

Cannabis will be legal at the federal level, and states will be allowed to responsibly regulate its use.

Now is Our Moment

This movement is cresting.

Over the last decade, I've worked to build understanding and consensus on the need for reform. We've organized a bipartisan coalition in Congress to support our efforts. The public is demanding action. Now is our moment.

OUR PROGRESS SO FAR IN THE 116TH CONGRESS

On February 13, 2019, the **House Financial Services Subcommittee on Consumer Protection and Financial Institutions** held a <u>hearing</u> on cannabis banking, and on March 27, the Committee <u>passed</u> the Secure And Fair Enforcement (SAFE) Banking Act (<u>H.R. 1595</u>) by a <u>45-15</u> vote with 11 Republicans voting yes.

On April 30, 2019, the **House Veterans' Affairs Subcommittee on Health** held a <u>hearing</u> on three cannabis bills — VA Medicinal Cannabis Research Act (H.R. 712), Veterans Equal Access Act (H.R. 1647), and Veterans Cannabis Use for Safe Healing Act (H.R. 2191).

On June 19, 2019, the **House Small Business Committee** held a <u>hearing</u> on opportunities the legitimate cannabis industry presents for small businesses in states with legal cannabis, as well as entrepreneurs from traditionally underserved communities.

On June 20, 2019, the **House Veterans Affairs Committee** held a legislative <u>hearing</u> on the VA Survey of Cannabis Use Act (<u>H.R. 2676</u>), a bill to provide cannabis training for VA health providers (<u>H.R. 2677</u>), VA Medicinal Cannabis Research Act (<u>H.R. 712</u>), and the Veterans Equal Access Act (<u>H.R. 1647</u>).

On June 20, 2019, the **House of Representatives** passed the Blumenauer-McClintock-Norton amendment (<u>H.Amdt. 398</u>)to the fiscal year (FY) 2020 appropriations bill to restrict the Department of Justice from interfering with state adult-use programs by a <u>267-165</u> vote. The House also passed an amendment (<u>H.Amdt. 397</u>) that prohibits the Department of Justice from interfering with tribal cannabis programs by voice vote.

On July 10, 2019, **House Judiciary Subcommittee on Crime, Terrorism and Homeland Security** held a hearing on racial justice and the need for reform of our nation's cannabis laws.

On July 23, 2019, the **Senate Banking Committee** held a hearing on cannabis banking.

On July 23, 2019, **Judiciary Committee Chairman Jerry Nadler** introduced the Marijuana Opportunity Reinvestment and Expungement (MORE) Act (H.R. 3884), a comprehensive decriminalization bill. This important bill:

- Decriminalizes marijuana at the federal level by removing the substance from the Controlled Substances Act. This applies retroactively to prior and pending convictions and enables states to set their own policy.
- Requires federal courts to expunge prior convictions, allows prior offenders to request expungement, and requires courts, on motion, to conduct re-sentencing hearings for those still under supervision.
- Creates the Opportunity Trust Fund, which includes three grant programs:
 - The Community Reinvestment Grant Program provides services to the individuals most adversely impacted by the War on Drugs, including job training, re-entry services, legal aid, literacy programs, youth recreation, mentoring, and substance use treatment.
 - The Cannabis Opportunity Grant Program provides funds for loans to assist small businesses in the marijuana industry that are owned and controlled by socially and economically disadvantaged individuals.
 - The Equitable Licensing Grant Program provides funds for programs that minimize barriers to marijuana licensing and employment for the individuals most adversely impacted by the War on Drugs.
- Opens up Small Business Administration funding for legitimate cannabis-related businesses and service providers.
- Provides non-discrimination protections for marijuana use or possession, and for prior convictions for a marijuana offense.
- Prohibits the denial of any federal public benefit (including housing) based on the use or possession of marijuana, or prior conviction for a marijuana offense.
- Provides that the use or possession of marijuana, or prior conviction for a marijuana offense, will have no adverse impact under the immigration laws.
- Requires the Bureau of Labor Statistics to collect data on the demographics of the industry to
 ensure people of color and those who are economically disadvantaged are participating in the
 industry.

On September 25, 2019, the **House of Representatives** passed the Secure And Fair Enforcement (SAFE) Banking Act (H.R. 1595) by a 321-103 vote. 229 Democrats, 91 Republicans, and 1 Independent supported the bill's passage.

On November 21, 2019, the **House Judiciary Committee** passed the Marijuana Opportunity Reinvestment and Expungement (MORE) Act (H.R. 3884) by a 24-10 vote with support from all Democratic members of the Committee and Republicans Matt Gaetz of Florida and Tom McClintock of California.

On January 15, 2020, the **House Energy and Commerce Subcommittee on Health** held a legislative hearing entitled, "Cannabis Policies for the New Decade." This hearing, which marked the first time that members of the Energy and Commerce Committee (a key committee with cojurisdiction over the scheduling of cannabis) have debated issues specific to cannabis policy reform. A bipartisan group of members voiced concerns with barriers to cannabis research, and committee leadership has agreed to hold a second hearing featuring the voices of people negatively impacted by marijuana prohibition.